

**EXHIBIT B**

**Pan-American Life Insurance Company  
Pan-American Assurance Company  
Pan-American Life Center  
New Orleans, Louisiana 70130**

**NOTICE TO POLICYHOLDERS**

We are here to serve you. As our policyholder, your satisfaction is very important to us. Should you have a valid claim, we fully expect to provide a fair settlement in a timely fashion. If you have any questions pertaining to a claim, or if we can be of any service, please contact us by calling our toll free number : **1-800-999-0514**.

Or write us at the following address:

**Pan-American Life Insurance Company  
Pan-American Assurance Company  
Attention: Policyowner Service  
P.O. Box 60219  
New Orleans, LA 70160**

If you are then not satisfied and you feel you are not being treated fairly, we want you to know you may contact the California Department of Insurance with your complaint and seek assistance from the governmental agency that regulates insurance.

To contact the California Department, write or call,  
**Department of Insurance  
Consumer Service Division  
3450 Wilshire Boulevard  
Los Angeles, CA 90010  
Telephone: 1-800-233-9045**

**KLOHE FINANCIAL GROUP  
1026 WATERBROOK COURT  
SANTA ROSA, CA 95401  
(707) 571-8661**

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**Pan-American Life Insurance Company**  
PAN-AMERICAN LIFE CENTER, NEW ORLEANS, LOUISIANA 70130

**OUTLINE OF COVERAGE FOR THE  
ADDITIONAL MONTHLY BENEFIT**

**Optional Benefit Available at Additional Premium**

**Additional Benefit for Total Disability**

After 60 days of total disability, the Company will pay an additional benefit of \$ 400.00 per month.

**Additional Benefit for Residual Disability**

The amount of the residual disability benefit will equal the income loss times the monthly payment for total disability. The income loss must be at least 20% before benefits will be paid. Total disability occurs when the income loss exceeds 80%.

~~No benefit or~~ combination of benefits will be paid for longer than 305 days.  
No residual benefits will be paid after age 65.

**Rider Renewal Provisions — Rider Not Covered**

Same as policy.

FOR ADDITIONAL PROVISIONS, SEE RIDER FORM.

**NOTICE: Read this outline of coverage carefully. It is not identical to the outline of coverage provided upon application and the coverage originally applied for has not been issued.**

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**DISABILITY INCOME PROTECTION COVERAGE  
OUTLINE OF COVERAGE**

**Read Your Policy Carefully**

This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you **READ YOUR POLICY CAREFULLY!**

**Disability Income Protection Coverage**

Policies of this category are designed to provide, to persons insured, coverage for disabilities resulting from a covered accident or sickness, subject to any limitations set forth in the policy. Coverage is not provided for basic hospital, basic medical-surgical, or major medical expenses.

As used in this policy:

Total disability occurs when the Insured:

- ✦ • Cannot work at his or her regular job because of injury or sickness; and
- Is not engaged in any paying work; and
- Must be under the regular care of a doctor.

For the first 2 years of total disability, the second requirement above is waived.

Residual disability occurs:

- After a period of total disability long enough to qualify for benefits; and
- When the Insured begins to do paying work, but sustains at least a twenty percent Income Loss; and

- When Income Loss results directly from an impairment or incapacity caused by sickness or injury; and
- The Insured is under the care of a doctor.

The Insured cannot suffer from more than one disability at the same time. Nor can the Insured be totally and residually disabled at the same time.

### Description of Benefits

**Total Disability** — The Monthly Benefit of \$1,300.00 will be paid after 60 days of total disability. The benefit will continue for a Maximum Period of 5 years.

**Residual Disability** — The monthly payment is equal to the percent of Earned Income loss times the total disability Monthly Benefit. The payments will run for a Maximum Period of 5 years. Total disability occurs when the Earned Income loss is eighty percent or above. For any one disability, number of months a payment is made, total and residual combined, cannot exceed this Maximum Period or extend past age 65. The only exceptions to this rule are if total disability starts after age 65 or the benefits for total disability have been paid for less than the Minimum Period. For these two cases the period of benefit payments will not exceed the Minimum Period. The Minimum Period is the lesser of:

- 24 months; or
- The Maximum Period.

**Presumptive Disability** — Total disability will be presumed to have occurred for total permanent loss of sight, speech, hearing or use of two limbs.

**Transplant or Cosmetic Surgery** — Six months after issue, disability resulting from either cosmetic surgery or donation of a body part to another is covered.

✓ **Rehabilitation** — The Company will pay up to 24 times the Monthly Benefit for a Company approved rehabilitation program.

**Waiver of Premium** — After ninety days of total or residual disability, the policy premiums will be waived during continued disability until age 65.

**Return of Unearned Premium** — Any unearned premium will be returned on the death of the Insured or policy Termination.

**Survivorship Benefit** — If the Insured is receiving benefits for Total Disability at the time of his or her death, we will pay a survivorship benefit equal to 3 times the basic policy Monthly Benefit.

## **Policy Restrictions**

**Under Doctor's Care** — Disability does not exist when the Insured is not under the regular care and attendance of a physician other than himself or his immediate family. If in the opinion of a doctor continued treatment would be of no benefit, this condition is satisfied.

**Pre-Existing Conditions** — A condition not revealed in the application and which exhibited symptoms within the five years before the effective date of this policy will not be covered for the first two years after issue.

**Military Service** — Coverage will be suspended while the Insured is a member of the armed forces. Coverage can be reinstated within ninety days after discharge provided the Insured is under age 65. The premium will be at the original rate.

**Losses Not Covered** — Disability resulting from acts of war is not covered. Disability resulting from normal pregnancy and childbirth is covered only after the greater of 90 days or the Elimination Period of the policy.

## **Renewal Provisions**

The policy is guaranteed renewable until age 65 with guaranteed premiums. The policy can be continued thereafter, if the Insured is gainfully employed full time. The premiums for this continuation are not guaranteed.

### Premiums

The annual premium for this policy is \$ 710.91.  
The Company guarantees this premium until the Insured is 65. Thereafter, the Company may change the premiums. This policy has a 31 day grace period. The premium can be paid any time during the grace period without affecting the policy's status.

FOR ADDITIONAL INFORMATION ABOUT POLICY BENEFITS OR CLAIMS,  
TELEPHONE 1-800-999-0514.